GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:2927
ANSWERED ON:06.12.2007
REVENUE POLICY OF AAI FOR DIAL
Mehta Shri Bhubneshwar Prasad

Will the Minister of CIVIL AVIATION be pleased to state:

(a) the terms and conditions of the contract entered into with Delhi International Airport Ltd. (DIAL);

(b) whether any violation thereof has come to the notice of the Government;

(c)if so, the details thereof and the action taken by the Government in this regard;

(d) the revenue policy of the Airports Authority of India for DIAL;

(e) the percentage of revenue paid by DIAL to the Airports Authority of India during the financial year 2005-06 and 2006-07 and till September,30,2007;

(f) whether audit has been conducted by C&AG of the said revenue; and

(g) if so, the details thereof?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

(a), (b) & (c): Airports Authority of India (AAI) has entered into an agreement viz. Operation, Management and Development Agreement (OMDA) with Delhi International Airport Pvt. Ltd. (DIAL) for operating, maintaining, developing, designing, constructing, upgrading, financing and managing of Delhi airport for a period of 30 years (further extendable to 30 years) with effect from 03.05.2006. The Government has directed AAI to ensure that the terms and conditions of the OMDA are not violated. (d) & (e): DIAL has to pay monthly annual fee of 45.99% of projected revenue to AAI in advance on or before prior to 7th day of each month.

(f) & (g): In terms of OMDA, Independent Auditor is required to certify the revenue. The share of revenue from DIAL forms part of total revenue of AAI. The AAI`s accounts are subject to audit by C&AG.

(a): Airports Authority of India (AAI) has entered into an agreement viz. Operation, Management and Development Agreement (OMDA) with Delhi International Airport Pvt. Ltd. (DIAL) for operating, maintaining, developing, designing, constructing, upgrading, financing and managing Delhi Airport for a period 30 years (an option to further extions of 30 years) with effect from 03.05.2006.

(b): No, Sir.

(c): Does not arise.

(d)& (e): In terms of OMDA, DIAL was to pay an upfront fee of Rs.150 crores on or before the effective date, which has been complied with by DIAL. The said amount is non-refundable and payable only once during the term of this agreement. In addition, DIAL has to pay monthly annual fee of 45.99% of projected revenue to AAI in advance on or before prior to 7th day of each month.